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EMINENCE ENTERPRISE LIMITED

高山企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 616)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE USE OF PROCEEDS FROM THE RIGHTS ISSUE

References are made to (i) the prospectus (the “**Prospectus**”) of Eminence Enterprise Limited (the “**Company**” and together with its subsidiaries, collectively the “**Group**”) dated 16 January 2020 in relation to the rights issue on the basis of four rights shares for every one share held at the record date (the “**Rights Issue**”) and announcement of the Company dated 10 February 2020 in relation to the results of the Rights Issue; (ii) the annual report of the Company for the year ended 31 March 2020 (the “**2020 Annual Report**”); and (iii) the interim report of the Company for the six months ended 30 September 2020 (the “**2020 Interim Report**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Prospectus.

On 11 February 2020, the Rights Issue was completed and the Company raised net proceeds from the Rights Issue of approximately HK\$353.9 million (the “**Proceeds**”). In addition to the information disclosed in the 2020 Annual Report and the 2020 Interim Report, the board of directors of the Company (the “**Board**”) would like to provide an update on the use of the Proceeds and the expected timeline of application of the unutilised Proceeds as at 31 March 2020 and 30 September 2020 respectively as set out in the following table:

| Project/ Property | Purpose | Proposed use of net proceeds as disclosed in the Prospectus | Actual use of net proceeds as of 31 March 2020 | Unutilised proceeds as of 31 March 2020 | Actual use of net proceeds as of 30 September 2020 | Unutilised proceeds as of 30 September 2020 | Expected timeline of utilisation |
|--|--|--|---|---|---|--|--|
| | | <i>HK\$'million (approximately)</i> | <i>HK\$'million (approximately)</i> | <i>HK\$'million (approximately)</i> | <i>HK\$'million (approximately)</i> | <i>HK\$'million (approximately)</i> | |
| Matheson Street Project | Construction cost for redevelopment | 79.0 | (1.4) | 77.6 | (10.5) | 68.5 | February 2022 <i>(Note 1)</i> |
| Huzhou Properties | Construction cost for properties | 25.0 | - | 25.0 | (8.6) | 16.4 | July 2022 |
| Wing Cheong Factory Building | Preliminary cost (including planning, design and demolition cost) | 22.1 | - | 22.1 | (6.9) | 15.2 | June 2021 |
| Wing Cheong Factory Building | Additional acquisition cost for remaining units | 12.0 | - | 12.0 | (12.0) | - | - |
| Kennedy Town Properties | Construction cost for redevelopment | 15.8 | - | 15.8 | (11.7) | 4.1 | December 2021 <i>(Note 2)</i> |
| Fung Wah Factorial Building | Acquisition cost for remaining units | 62.0 | - | 62.0 | (7.2) | 54.8 | September 2021 |
| Potential acquisition of new properties and other investments | | 80.0 | (80.0) | - | (80.0) | - | - |
| Bank loan repayment | | 4.9 | - | 4.9 | (4.9) | - | - |
| General working capital | | 53.1 | (53.1) | - | (53.1) | - | - |
| | | 353.9 | (134.5) | 219.4 | (194.9) | 159.0 | |

Notes:

1. Due to the delay in construction, Matheson Street Project is expected to be completed in February 2022 as disclosed in the 2020 Interim Report and the Company's annual results announcement dated 23 June 2021.
2. Expected timeline for using the unutilised proceeds for Kennedy Town Properties was rescheduled from December 2020 to December 2021, owing to a combined redevelopment planning with the properties at Catchick Street, acquisition of 100% interest of which was completed in April 2021.

As at 31 March 2020 and 30 September 2020, the Company did not change the purpose and use of the Proceeds as disclosed in the Prospectus.

Further updates on the utilisation of the Proceeds will be disclosed in the Company's annual report for the year ended 31 March 2021 (the "**2021 Annual Report**"), which will be despatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company on or before 31 July 2021. Shareholders and potential investors are encouraged to read the 2021 Annual Report to keep apprised of the Group's latest financial position and affairs.

The above supplemental information does not affect other information contained in the 2020 Annual Report and the 2020 Interim Report and save as disclosed above, all other information contained in the 2020 Annual Report and the 2020 Interim Report remains unchanged.

By order of the Board
EMINENCE ENTERPRISE LIMITED
Lai Law Kau
Chairman and Chief Executive Officer

Hong Kong, 8 July 2021

As at the date hereof, the Board comprises Mr. Lai Law Kau, Ms. Lui Yuk Chu and Mr. Kwong Jimmy Cheung Tim as executive Directors; and Mr. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Wu Koon Yin Welly as independent non-executive Directors.